

**RHODE ISLAND COMMERCE CORPORATION
MEETING OF DIRECTORS
PUBLIC SESSION**

AUGUST 25, 2014

The Board of Directors of the Rhode Island Commerce Corporation (the “Corporation”) met on Monday, August 25, 2014, in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, RI 02908, pursuant to the notice of meeting to all Directors, and the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by the By-Laws of the Corporation and applicable to Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Lincoln D. Chafee, Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley.

Directors absent were: Mr. Roland Fiore and Ms. Maeve Donohue.

Also present were: Marcel Valois and Thomas Carlotto.

1. CALL TO ORDER AND OPENING REMARKS

Governor Chafee called the meeting to order at 5:01 p.m. indicating that a quorum was present.

2. TO CONSIDER FOR APPROVAL THE PUBLIC SESSION MINUTES FOR THE MEETING HELD ON JULY 22, 2014 AND THE PUBLIC AND EXECUTIVE SESSION MINUTES FOR THE MEETING HELD ON JULY 28, 2014

Upon motion duly made by Mr. Adams and seconded by Mr. Weiss, the following vote was adopted:

VOTED: To approve the Public Session Minutes for the meeting held on July 22, 2014 and the Public and Executive Session Minutes for the meeting held on July 28, 2014, as submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley

Voting against the foregoing were: None.

Not present for the foregoing were: Mr. Karl Wadensten.

3. EXECUTIVE DIRECTOR'S REPORT

Governor Chafee introduced Marcel Valois to discuss the Executive Director's Report. See Exhibit B. Mr. Valois stated that a detailed report was available in the Board Members' packages for review.

Mr. Karl Wadensten arrived at 5:04 p.m.

Mr. Valois began by briefly discussing a study to be completed by the Corporation on micro-lending, pursuant to a statute discussed by John R. Pagliarini at the July 28, 2014 meeting. He continued that a draft version of the study will be presented to the Board of Directors for review and comment in October with a revised version to be presented to the Board of Directors for approval at the December meeting. Mr. Valois then introduced Mike Walker to discuss the Corporation's performance metrics. Mr. Walker noted that beginning in 2014 the Corporation began collecting data to measure and evaluate the various programs of the Corporation. He then provided an overview of the data collection and data review processes for the first two (2) quarters of 2014. Mr. Walker concluded by noting how the performance metrics will affect the Corporation's goals for the future. Following his presentation, Mr. Walker responded to various inquiries from the Board Members regarding the specifics of the performance metrics data to date.

In conclusion, the Board Members then briefly provided updates as to how their respective organizations are promoting commerce in Rhode Island and their efforts to keep Rhode Island students employed in the state following graduation from their respective Rhode Island colleges and universities.

4. TO RECEIVE A STATUS UPDATED REGARDING THE I-195 COMMISSION

Governor Chafee introduced Jan Brodie to give a presentation regarding the I-195 Commission (the “Commission”). Ms. Brodie began her presentation by noting that she has been presenting to the Board of Directors for approximately sixteen (16) months and that great progress has been made throughout that time. She noted that the Commission received seven (7) development proposals in response to the Commissions RFP, which were due by May 1, 2014. The Commission has interviewed some of the entities which submitted proposals and requested resubmissions with additional information from other entities. Ms. Brodie continued that the Commission is moving forward with several entities and that the Commission is in the process of negotiating a letter of intent, with a primary consideration of producing jobs for Rhode Island. She continued that the next deadline to submit development proposals is October 15, 2014 and that the Commission is working with Jones Lang LaSalle to create a direct marketing approach with respect to the opportunity to develop the Commission land.

Ms. Brodie moved on to discuss the next steps in the project. Specifically, she noted that the hope is for a letter of intent to be executed and to move forward quickly, creating a regulatory framework for the development. She continued that from there, the Commission will be seeking plans for parks and bridges, which will be reviewed by a subcommittee of the Commission. A public meeting will then be conducted to allow for public comment. Ultimately it is the Commission's goal to have all parks completed in 2016 and turned over to the Commission at that time. Ms. Brodie then noted that the Rhode Island Department of Transportation is on schedule to complete the West Side highways in December 2014 and on schedule to complete work on the East Side in the summer of 2015. The Board Members then engaged Ms. Brodie in a discussion regarding park design, funding and naming issues. Ms. Brodie concluded her presentation by briefly discussing the creative mile, which is the temporary artistic use of the Commissions land prior to the development of the same. The Board of Directors thanked Ms. Brodie for the update and expressed their excitement to see the project progress.

5. TO RECEIVE A STATUS UPDATE REGARDING RHODEMAP RI

Governor Chafee introduced Kevin Flynn to update the Board of Directors on the status of the RhodeMap process. See Exhibit C. Governor Chafee also noted that Mr. Flynn would be providing the

board with monthly updates on RhodeMap through October 2014. Mr. Flynn indicated that he would update the board on the status of the RhodeMap RI Plan (the “Plan”) since the last draft was provided to the Board of Directors for review. Specifically, the additional content included consists of (i) a stronger discussion of K-12 education; (ii) a call for strong leadership; (iii) a section regarding property taxes; (iv) accountability and data-driven decisions; (v) freight, passenger rail, and transit discussion; (vi) food systems; and (vii) links to public health and health care. He then continued on to discuss the changes in the structure of the Plan. Mr. Flynn noted that the Plan has been restructured and sorted by specific goals of the Plan. He also added that the specific goals have been restructured and combined for more efficient and streamlined organization. Mr. Flynn then moved on to discuss the restructured goals of the plan and the specific action items which will be implemented to achieve each goal. In conclusion, the Board Members were advised that any additional comments on the Plan and the goals contained therein could be sent to Jeff Davis at the Rhode Island Department of Administration.

6. TO INTRODUCE A PROPOSAL FROM THE SLATER TECHNOLOGY FUND REGARDING THE EARLY STAGE COMMERCIALIZATION PROGRAM OF THE RENEWABLE ENERGY FUND

Governor Chafee called on William Ash to introduce a proposal to the Board of Directors regarding the Early Stage Commercialization Program of the Renewable Energy Fund (the “REF”). See Exhibit D.

Mr. Ash noted that there are four separate funding programs in the REF, including the Early Stage Commercialization Program. He continued that the Slater Technology Fund (the “Slater Fund”) is raising a fund to invest in projects largely comprised of early-stage commercialization projects. The Slater Fund will be creating a Rhode Island limited partnership and is seeking commitments from investors in the aggregate of \$8 Million, with a \$3 Million contribution from the REF. Mr. Ash noted that the investment period will be four (4) years with a ten (10) year repayment term. Mr. Valois noted that the proposal is being reviewed by the Access to Capital Subcommittee and that a recommendation with respect to the same will be presented at the September Board Meeting.

7. TO CONSIDER FOR APPROVAL A TOURISM INVESTMENT CONSULTING AGREEMENT

Governor Chafee called on Mark Brodeur to give the Board of Directors a presentation with regard to the tourism investment consulting agreement. See Exhibit E. Mr. Brodeur noted that the Corporation, through an RFP, sought a tourism industry expert to develop a three-year statewide Tourism Marketing and Branding Investment Plan. He noted that after negotiating with the lowest qualified bidders who responded the RFP, the Nichols Tourism Group and the Radcliffe Company proposed to complete a comprehensive study and plan at a cost of \$30,000.00. In response to Board Member inquiries regarding the importance of tourism investment, Mr. Valois

noted that tourism investment has been a hot topic at all workshops and reports created in connection with economic development in Rhode Island and expressed his support for the creation of a tourism investment plan, which can be used to show the importance and economic growth that can be achieved through tourism in Rhode Island.

Upon motion duly made by Mr. Nee and seconded by Mr. Adams, the following vote was adopted:

VOTED: To approve a tourism investment consulting agreement, pursuant to the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit F.

8. TO CONSIDER FOR APPROVAL THE FOLLOWING RENEWABLE ENERGY FUND MATTERS

a. A grant to Sol Power, LLC in the amount of \$19,450.00;

- b. A grant to RGS Energy in the amount of \$103,625.00;**
- c. A grant to Newport Renewables in the amount of \$9,800.00;**
- d. A grant to Weisman Roofing in the amount of \$4,125.00;**
- e. A grant to Got Sun-Go Solar in the amount of \$17,087.00;**
- f. A grant to Rexel Energy Solutions in the amount of \$10,000.00;**
- g. A grant to BCX Energy, Inc. in the amount of \$14,725.00;**
- h. A grant to Newport Solar in the amount of \$116,180.00; and**
- i. A grant to US Solar Works, LLC in the amount of \$19,218.00.**

Governor Chafee introduced Hannah Morini for a presentation on REF matters. See Exhibit G. Ms. Morini noted that the matters presented for approval represent the second round of Small-Scale Solar Funding applications for 2014. Ms. Morini noted that for the second quarter of 2014 there were ten (10) applicants for Small-Scale Funding, nine (9) of which met all of the program's requirements, including three (3) companies who have never applied for REF funding. Ms. Morini then noted that the funding will result in forty-four (44) individual projects throughout various locations in Rhode Island in connection with the proposed second round of Small-Scale Solar Funding applications for 2014. Ms. Morini then briefly discussed each applicant and the proposed projects associated with each. In conclusion Ms. Morini provided an update on all REF project funding since 2013 and provided maps to illustrate the expanse of REF funded projects in Rhode Island.

Upon motion duly made by Mr. Nee and seconded by Mr. Weiss, the

following vote was adopted:

VOTED: To approve the Renewable Energy Fund matters, pursuant to the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley Elizabeth Francis.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit H.

9. TO CONSIDER FOR APPROVAL A CONSULTING AGREEMENT WITH SMARTPOWER, INC.

Governor Chafee called on Mr. Valois for a presentation regarding a consulting agreement with SmartPower, Inc. ("SPI"). Mr. Valois stated that this agreement is also associated with a solar energy project called Solar Energy Rhode Island, which is a pilot project in the State of Rhode Island. He noted that the funds to implement this project and pay the consultant are not from the Corporation or the REF, but rather the Office of Energy Resources. Mr. Valois then called on Shauna Beland to discuss the Solar Energy Rhode Island project.

Ms. Beland then provided the Board of Directors with a brief overview of the Solar Energy Rhode Island project, the sources of funding for the project and the proposed consultant, SPI. She then discussed the specific details of the various ways that SPI intends to provide solar energy education and marketing services to the Corporation and ultimately the State of Rhode Island. Antonia Bouchard, the Chief Operating Officer of SPI, then addressed various inquiries from the Board of Directors regarding SPI and the Solar Energy Rhode Island project.

Upon motion duly made by Mr. Weiss and seconded by Ms. Brawley, the following vote was adopted:

VOTED: To approve a consulting agreement with SmartPower, Inc., pursuant to the Resolution submitted to the Board of Directors.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley Elizabeth Francis.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit I.

10. TO CONSIDER ISSUES RELATED TO THE LITIGATION PENDING BEFORE THE PROVIDENCE SUPERIOR COURT KNOWN AS RHODE ISLAND ECONOMIC DEVELOPMENT CORPORATION V. WELLS FARGO SECURITIES, LLC, ET AL

Upon motion duly made by Mr. Adams and seconded by Mr. Wadensten, the following vote was adopted:

VOTED: That, pursuant to Rhode Island General Law Section 42-46-5(a)(2) to enter into executive session to consider issues related to the litigation pending before the providence superior court known as Rhode Island Economic Development Corporation v. Wells Fargo Securities, LLC, et al.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley.

Voting against the foregoing were: None.

Members of the board, counsel and staff entered into closed session at 6:30 p.m.

The public session reconvened at 7:15 p.m.

Upon motion duly made by Mr. Wadensten and seconded by Mr.

Adams, the following vote was adopted:

VOTED: That the minutes of the Executive Session shall not be made available to the public, except as to the portions of such minutes as the Board of Directors ratifies and reports in public session of this meeting.

Voting in favor of the foregoing were: Mr. Jerauld Adams, Mr. Karl Wadensten, Ms. Judith Diaz, Mr. George Nee, Mr. Tim Hebert, Ms. Elizabeth Francis, Mr. Jason Kelly, Dr. Nancy Carriuolo, Mr. Stanley Weiss, and Ms. Shannon Brawley.

Voting against the foregoing were: None.

Mr. Carlotto stated that during the Executive Session a unanimous vote of the Board was taken in accordance with Rhode Island General Law Section 42-46-4(b)(2) to keep all votes taken in the Executive Session confidential so as not to jeopardize any strategy, negotiation, or investigation undertaken with respect to the litigation.

Vote to Adjourn.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 7:17 p.m., upon motion made by Ms. Francis and seconded by Ms. Brawley.

Thomas Carlotto, Secretary